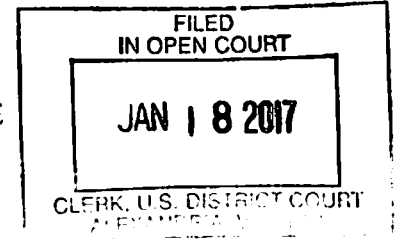


IN THE UNITED STATES DISTRICT COURT FOR THE
EASTERN DISTRICT OF VIRGINIA

Alexandria Division



UNITED STATES OF AMERICA

v.

SCOTT A. FLANDERS,

Defendant.

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No. 1:17-CR-2

STATEMENT OF FACTS

1. In 2010, the defendant, Scott A. Flanders, was a real estate settlement attorney who also had been investing in residential real estate. He and two other men jointly had purchased a residential property in Lovettsville, Virginia. After the financial crisis, the value of the property had dropped below the amount of the outstanding mortgage held by Cardinal Bank. In early 2010, the defendant and his partners requested that Cardinal Bank approve a short sale of the property; that is, they requested that the bank approve a sale for an amount less than the amount owed. Cardinal Bank agreed, but declined to forgive any money that the defendant and his partners would still owe on the mortgage after the sale.

2. In the spring of 2010, the defendant and his two partners short sold the property to another individual, a real estate agent who the defendant knew. The agent bought and sold residential properties through his investment company. After the sale, the defendant and his partners still owed Cardinal Bank approximately \$327,703. The defendant learned that the agent had quickly re-sold the property for a substantial profit. The defendant complained to the agent, who agreed to give the defendant \$20,400 and one of his partners the same amount.

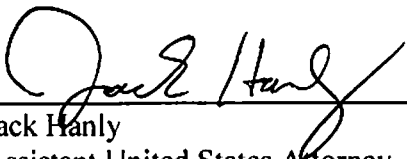
3. The defendant asked that his \$20,400 not be distributed to him, because he did not want Cardinal Bank to know about the funds. Later, the defendant asked that the company hold the money as an investment for the defendant's wife and issue a promissory note to her. That was done in June 2010.

4. When the defendant filed his individual Chapter 7 bankruptcy petition in the United States Bankruptcy Court for the Eastern District of Virginia on about August 4, 2010, he intentionally did not disclose on the petition that he had caused the \$20,400 given to him to be transferred to his wife before he actually took possession of the money. The defendant concealed the \$20,400 from the Court with the intent to defraud.

5. As part of the defendant's bankruptcy proceeding, Cardinal Bank was paid approximately \$4,907 from the defendant's other assets.

6. The defendant engaged in the conduct described above willfully and knowingly and not because of accident, mistake, or other innocent reason.


Dana J. Boente
United States Attorney

By: 
Jack Hanly
Assistant United States Attorney

Defendant's Stipulation and Signature

After consulting with my attorneys and pursuant to the plea agreement I entered into this day with the United States, I hereby stipulate that the above statement is true and accurate. I further stipulate that had the matter proceeded to trial, the United States would have proved the same beyond a reasonable doubt.

Date: 1/4/17

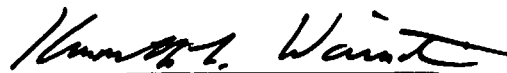


Scott A. Flanders, Defendant

Defense Counsel's Signature

We are Scott A. Flanders attorneys. We have carefully reviewed the above statement of facts with him. To our knowledge, his decision to stipulate to these facts is an informed and voluntary one.

Date: 1/5/17



Kenneth L. Wainstein
A. Joseph Jay, III
Counsel for the Defendant